

STA, or GOV and your item is classified in the “600 series,” you should review § 743.4 of the EAR to determine the applicability of certain reporting requirements for conventional arms exports.

(4) *Step 23: Scope of License Exceptions.* Some License Exceptions are limited by country or by type of item.

(i) Countries are arranged in country groups for ease of reference. For a listing of country groups, please refer to Supplement No. 1 to part 740 of the EAR. Unless otherwise indicated in a License Exception, License Exceptions do not apply to any exports or reexports to embargoed destinations. If your export or reexport is subject to General Prohibition Six (Embargo) for embargoed destinations, License Exceptions are only available to the extent specifically provided in part 746 of the EAR concerning embargoed destinations.

(ii) Special commodity controls apply to short supply items. No License Exceptions described in part 740 of the EAR may be used for items listed on the CCL as controlled for Short Supply reasons. License Exceptions for short supply items are found in part 754 of the EAR.

(5) *Step 24: Compliance with all terms and conditions.* If a License Exception is available, you may proceed with your export or reexport. However, you must meet all the terms and conditions required by the License Exception that you determined authorized your export or reexport. You must also consult part 758 and 762 of the EAR to determine your recordkeeping and documentation requirements.

(6) *Step 25: License requirements.* If no License Exception is available, then you must either obtain a license before proceeding with your export or reexport or you must refrain from the proposed export or reexport.

(7) *Step 26: License applications.* (i) If you are going to file a license application with BIS, you should first review the requirements in part 748 of the EAR. Exporters, reexporters, and transferors should review the instructions concerning applications and required support documents prior to submitting an application for a license.

(ii) If you are going to file a license application with BIS for the export, reexport or in-country transfer for an aircraft controlled under ECCNs 9A610.a, § 740.20(g) permits you to request in the application that subsequent exports of the type of aircraft at issue be eligible for export under License Exception STA. The types of aircraft controlled under ECCN 9A610.a that have been determined to be eligible for License Exception STA pursuant to § 740.20(g) are identified in the License Exceptions paragraph of ECCN 9A610. Supplement No. 2 to part 748, paragraph (w) (License Exception STA eligibility requests), contains the instructions for such applications.

NOTE TO PARAGRAPH (b)(7)(ii): If you intend to use License Exception STA, return to paragraphs (a) and then (b) of this section to review the Steps regarding the use of license exceptions.

[61 FR 12740, Mar. 25, 1996, as amended at 61 FR 64274, Dec. 4, 1996; 63 FR 2456, Jan. 15, 1998; 71 FR 20883, Apr. 24, 2006; 76 FR 35286, June 16, 2011; 78 FR 22706, Apr. 16, 2013]

#### **§ 732.5 Steps regarding Electronic Export Information (EEI) requirements, Destination Control Statements, and recordkeeping.**

(a) *Step 27: Electronic Export Information (EEI) filing requirements.* Exporters or agents authorized to file EEI to the Automated Export System (AES), should review § 758.1 of the EAR to determine when the EAR requires EEI to be filed and what EEI data elements the EAR requires to be included. More detailed information about EEI filing procedures and requirements may be found in the Bureau of Census Foreign Trade Regulations (FTR) at 15 CFR Part 30. Reexporters and firms exporting from abroad may skip Steps 27 through 29 and proceed directly to § 732.6 of the EAR.

(1) *License code/license exception code (license code).* You must report the correct license code that corresponds with your license authority (license or license exception) or designation (No License Required (NLR)) for your export on the EEI filing, as appropriate. See § 758.1(g) of the EAR and 15 CFR 30.6(a)(23) and Part III of Appendix B to 15 CFR Part 30 of the FTR. Generally, conflicts of data elements with license

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exception criteria, e.g., ECCN or destination, will result in a fatal error in the AES system. By reporting a license code for a license exception on an EEI filing you are certifying that your transaction meets the criteria of that license exception. By reporting a license code of NLR you are certifying that no license is required for your export.

(2) *License number.* If you are exporting under the authority of a license, you must report the license number on the EEI filing. See 15 CFR 30.6(b)(5) of the FTR.

(3) *Item description.* You must report an item description identical to the item description on the license when a license is required, or report an item description sufficient in detail to permit review by the U.S. Government and verification of the Schedule B Number or the Harmonized Tariff Schedule of the United States (HTS) for license exception exports or exports for which No License is Required (NLR). See § 758.1(g) of the EAR; and 15 CFR 30.6(a)(13) of the FTR.

(4) *Entering the ECCN.* You must report the correct Export Control Classification Number (ECCN) or “EAR99” for items that are not classified under an ECCN on the EEI filing for all licensed and license exception exports, and “No License Required” (NLR) exports of items having a reason for control other than or in addition to anti-terrorism (AT). The only exception to this requirement would be the return of unwanted foreign origin items, meeting the provisions of License Exception TMP, under § 740.9(b)(3) of the EAR. See § 758.1(g) of the EAR and 15 CFR 30.6(b)(6) of the FTR.

(b) *Step 28: Destination Control Statement.* The Destination Control Statement (DCS) must be entered on the invoice and on the bill of lading, air waybill, or other export control document that accompanies the shipment from its point of origin in the United States to the ultimate consignee or end-user abroad. The person responsible for preparation of those documents is responsible for entry of the DCS. The DCS is required for all exports from the United States of items on the Commerce Control List and is not required for items classified as EAR99, unless

the export may be made under License Exception BAG or GFT (see part 740 of the EAR). Reexporters should review § 752.15 of the EAR for DCS requirements when using a Special Comprehensive License; otherwise, DCS requirements do not apply to reexports. See § 758.6 of the EAR.

(c) *Step 29: Recordkeeping.* Records of transactions subject to the EAR must be maintained for five years in accordance with the recordkeeping provisions of part 762 of the EAR.

[65 FR 42568, July 10, 2000, as amended at 79 FR 4615, Jan. 29, 2014]

### § 732.6 Steps for other requirements.

Sections 732.1 through 732.4 of this part are useful in determining the license requirements that apply to you. Other portions of the EAR impose other obligations and requirements. Some of them are:

(a) Requirements relating to the use of a license in § 758.4 of the EAR.

(b) Obligations of carriers, forwarders, exporters and others to take specific steps and prepare and deliver certain documents to assure that items subject to the EAR are delivered to the destination to which they are licensed or authorized by a License Exception or some other provision of the regulations in § 758.1 through § 758.6 of the EAR.

(c) Duty of carriers to return or unload shipments at the direction of U.S. Government officials (see § 758.8 of the EAR).

(d) Specific obligations imposed on parties to Special Comprehensive licenses in part 752 of the EAR.

(e) Recordkeeping requirements imposed in part 762 of the EAR.

(f) Requirements of part 764 of the EAR to disclose facts that may come to your attention after you file a license application or make other statements to the government concerning a transaction or proposed transaction that is subject to the EAR.

(g) Certain obligations imposed by part 760 of the EAR on parties who receive requests to take actions related to foreign boycotts and prohibits certain actions relating to those boycotts.

[61 FR 12740, Mar. 25, 1996, as amended at 65 FR 42568, July 10, 2000]